



Maryland Department of Housing  
and Community Development  
*Secretary Kenneth C. Holt*

# What Is The Maryland Department of Housing and Community Development Doing to Help Rural Communities?

2015 RMC Rural Summit  
Thursday December 3, 2015



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# MARYLAND DHCD

- Maryland's State Housing Finance Agency
- Acts as a community bank, facilitating production of housing opportunities and community development across the state
- Works in partnership with the private sector and local governments
- Creative capital provider for local priorities



# KEY FINANCING PROGRAMS

- Neighborhood BusinessWorks
- Local Government Infrastructure Finance Program
- WholeHome
- Multifamily Rental Financing
- Neighborhood Revitalization Program



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# NEIGHBORHOOD BUSINESSWORKS

- The State's premiere small business loan program
- Gap financing
- Strengthens commercial districts and town centers
- In growth mode; creating new financing tools and seeking input about needs



# NEIGHBORHOOD BUSINESSWORKS PURPOSE

- Revitalization
- Commercial/retail to generate street level activity
- Improve vacant/underutilized buildings
- High level neighborhood impact
- Support mixed use development!



# NBW RESULTS SINCE 1996

- Funded more than \$89 million
- Participated in 600+ projects
- Created/sustained 12,000+ jobs across Maryland
- Leveraged \$399 million in private investment





# NEIGHBORHOOD BUSINESSWORKS PROJECTS



Arrow Bicycle, Hyattsville



Joie De Vivre, Cambridge



Big Bad Woof, Hyattsville



Roscoe's Neapolitan Pizzeria, Takoma Park



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# LOCAL GOVERNMENT INFRASTRUCTURE FINANCE PROGRAM

- Offers Maryland counties and municipalities a cost effective way to finance public purpose capital projects
- Enabling the delivery of essential services to support communities and the people they serve.



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# U.S. Treasury Bond Interest Rate History



Source: Observations ([ObservationsAndNotes.blogspot.com](http://ObservationsAndNotes.blogspot.com))



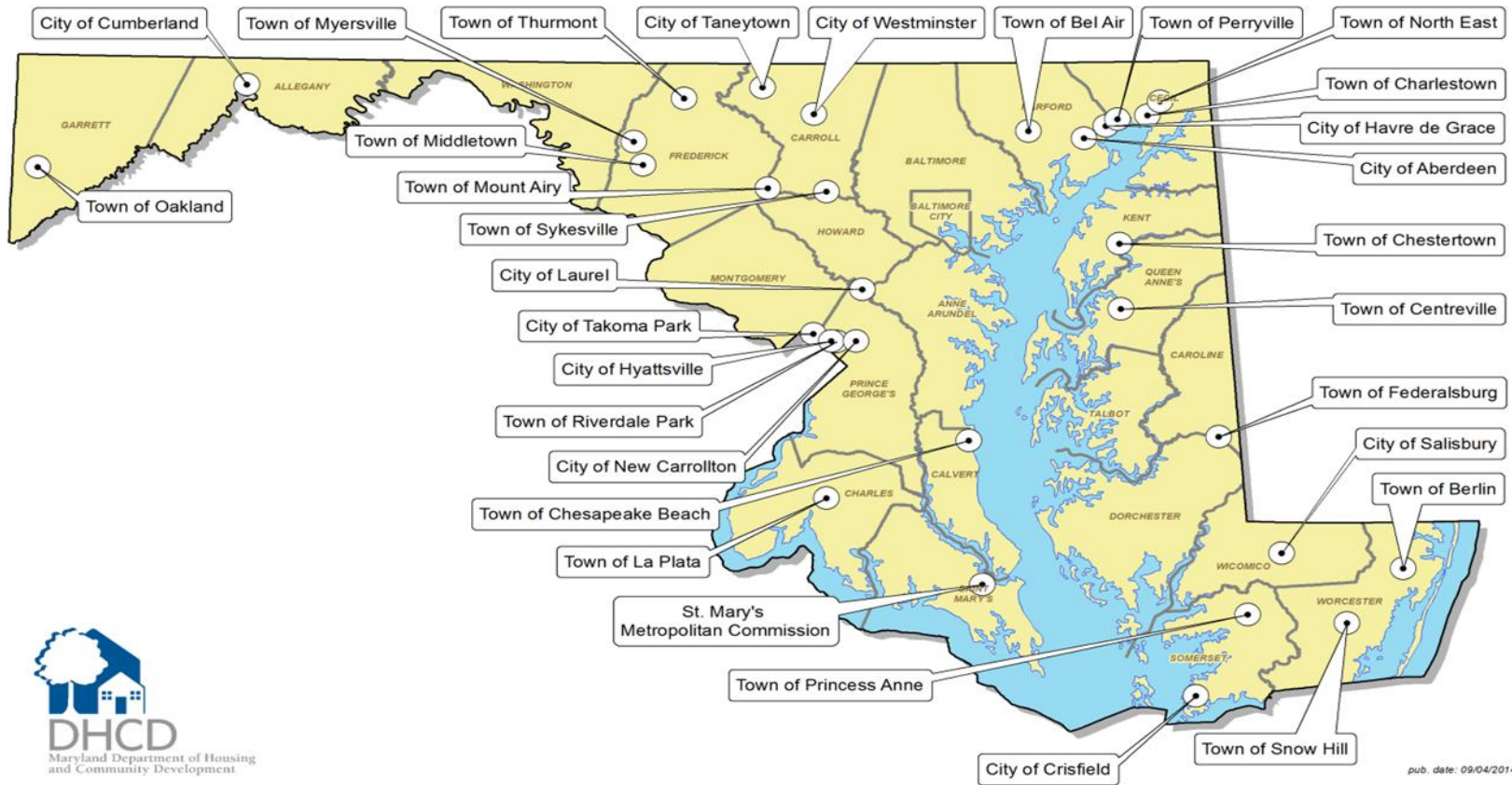
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# LGIF MAP

## Local Government Infrastructure Finance Program

*Participating Municipalities*

Period: (2004 - Present)



# PROJECTS FUNDED BY LGIF

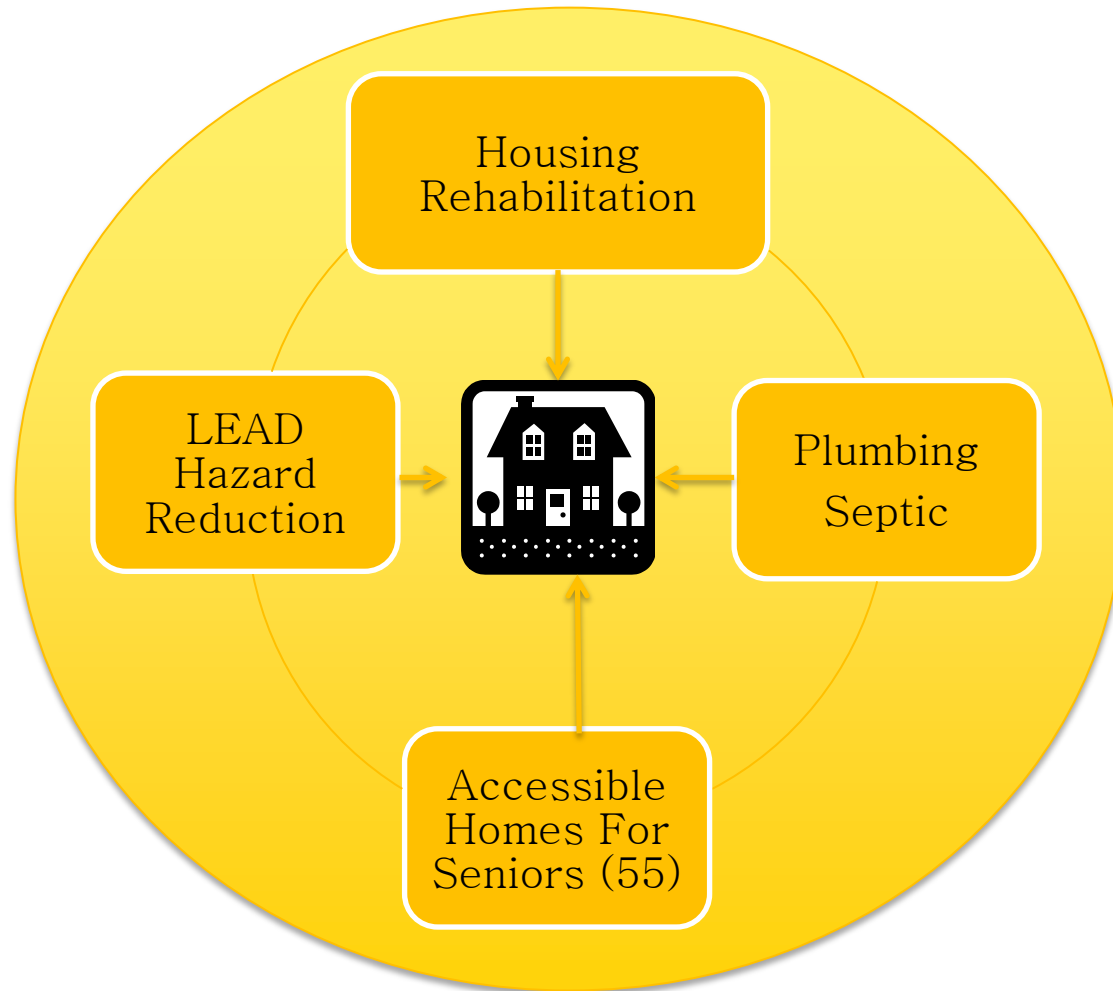


# WHOLEHOME PROGRAM

- Help preserve houses and lower homeowner utility costs while improving comfort for Maryland residents
- Low interest loans and grants to help Maryland homebuyers fix and upgrade their homes









# Loans

Up to 30 Years

Interest Rates of 0%, 2%, 4%

Rates based on affordability—  
ability to repay

Payments may be deferred for very  
low income borrowers

Deed of Trust for loans  $>$  \$5,000  
Note for loans  $<$  \$5,000



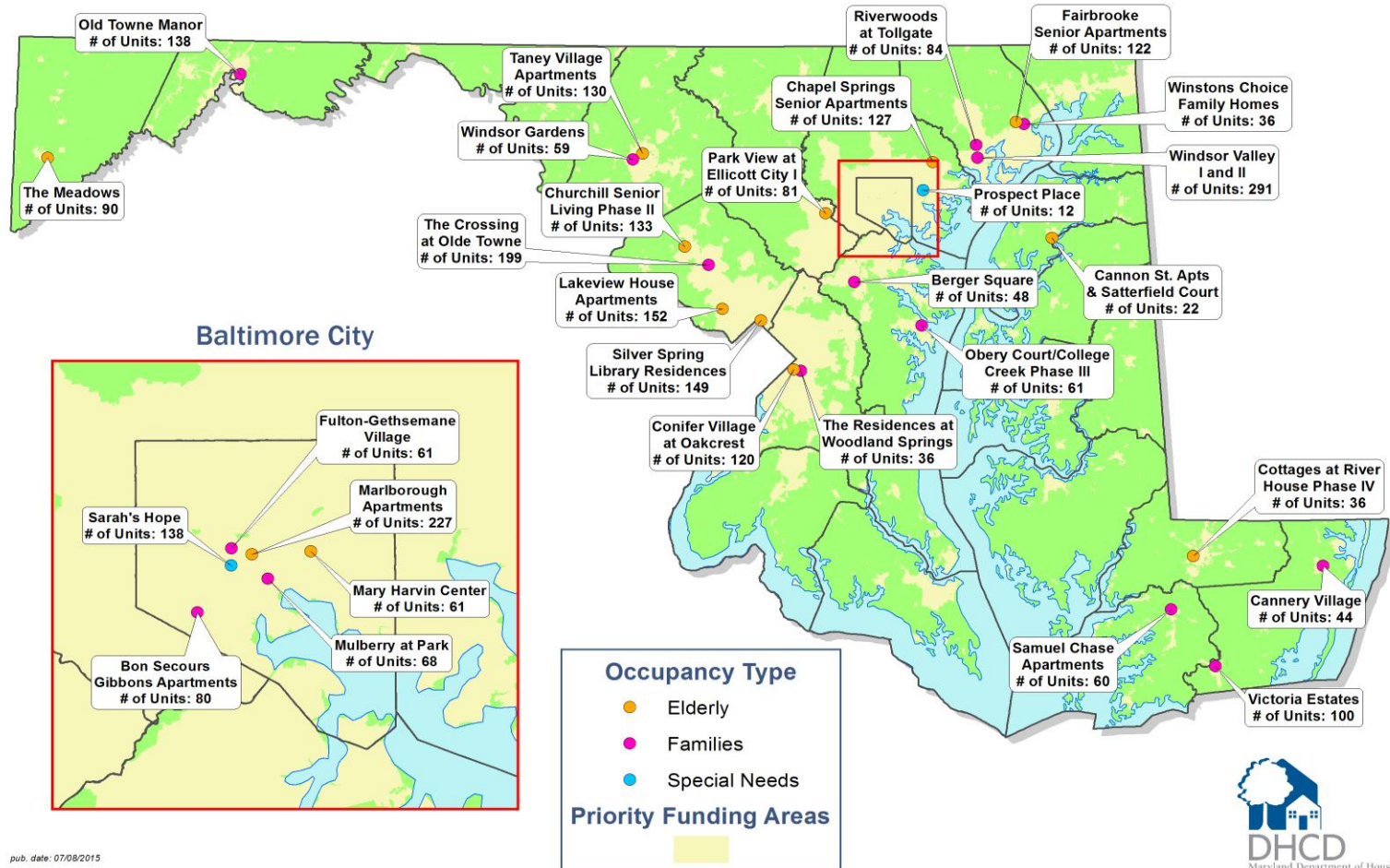
# MULTIFAMILY RENTAL FINANCING PROGRAMS

Outcome	FY 2014 (actual)	FY 2015 (actual)	FY 2016 (projected)
Produce New Units (#)	631	1,435	815
Preserve Existing Units (#)	1,776	1,525	2,445
TOTAL PRODUCTION & PRESERVATION (#)	2,407	2,960	3,260
TOTAL PROJECT COSTS (\$)	\$489,449,982	\$593,665,222	\$653,000,000



# Community Development Administration: Multi-Family Projects

Projects Closed: FY 2015



pub. date: 07/08/2015



# WHAT'S HOT...

- Qualified Allocation Plan and Guide Update
  - Regional meetings in December
  - Comments are encouraged
- Current Funding Round – December decisions
- Rental Assistance Demonstration (RAD)
- New Financing Techniques (Freddie, Fannie, HUD-FHA) for Tax-exempt bond deals
- Exploring providing financing for mixed-use (residential and commercial) projects via Neighborhood BusinessWorks and Multifamily.





# The End Result: Recent Multifamily Development



## RIVERS EDGE APARTMENTS AND STUDIO FOR THE ARTS

Salisbury, Maryland  
Wicomico County



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# NEIGHBORHOOD REVITALIZATION'S TWO FOLD FOCUS

## PLACES

**NR's "place-based" investments are largely focused on residential neighborhoods and business districts that have been identified by local governments as priorities for reinvestment and economic development. These Sustainable Community Areas (SCAs) are designated as a "priority revitalization target" for local and state agency investment.**

## PEOPLE

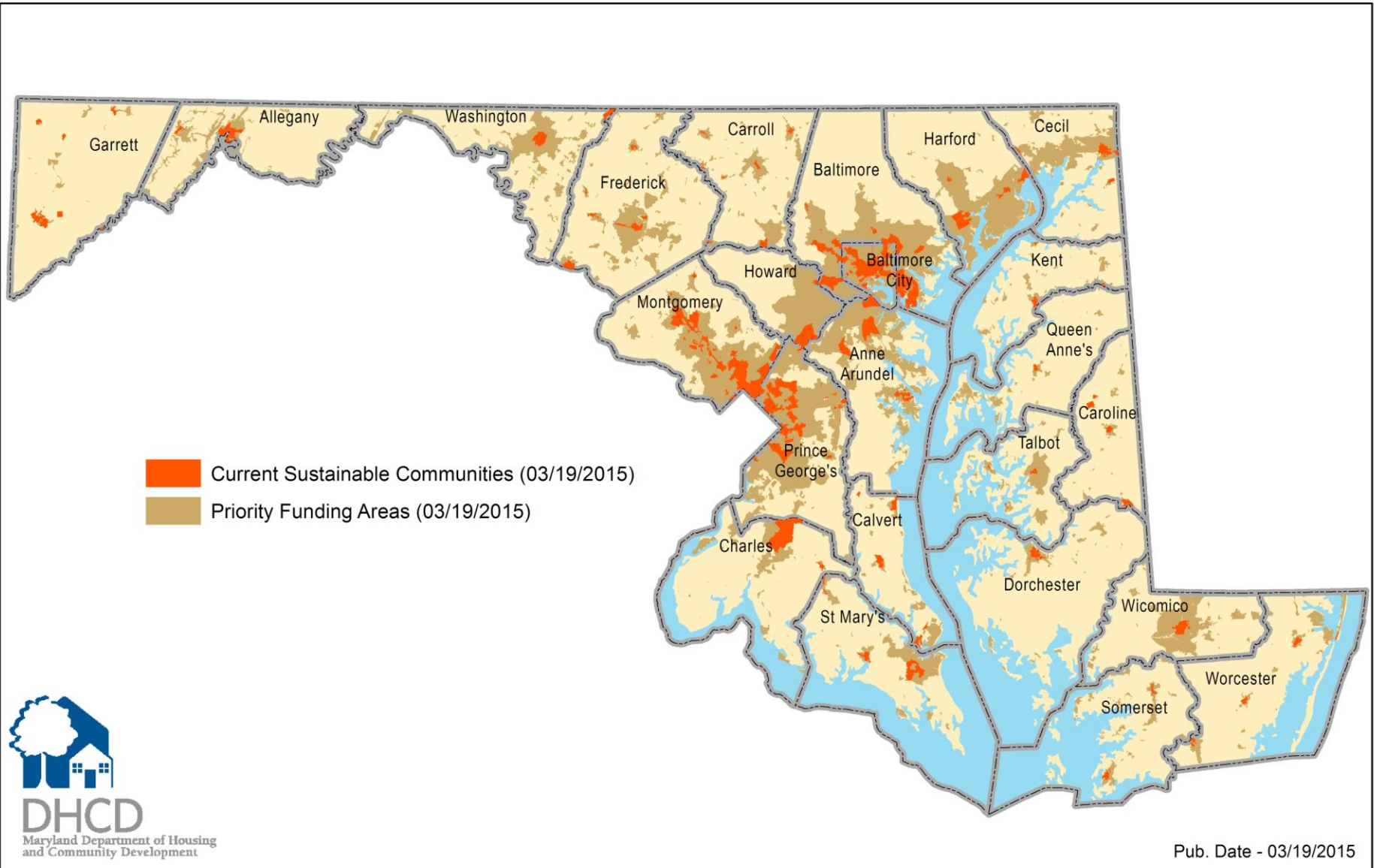
**NR responds to pressing community service needs such as:**

- Foreclosure prevention
- Homelessness prevention, including the new Youth Count and Families First initiatives
- Increasing access to fresh foods, including through the new Food Desert initiative
- Natural disaster response, including response to Hurricane Sandy
- Strengthening family finances, through expanded access to the Earned Income Tax Credit (EITC) via MD's Community Action Agencies and MD CASH Campaign



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# SUSTAINABLE COMMUNITIES in MARYLAND



# NR DIVISION PROGRAMS

- **Key State Programs:**

- Revitalization: Community Legacy, Strategic Demolition, Main Street Maryland, and Community Investment Tax Credit
- Financial Education: Maryland Housing Counseling Fund
- Homelessness Prevention: ESG, RAP and YouthREACH

- **Key Federally Funded Programs:**

- Emergency Solutions Grants (HUD)
- Community Development Block Grants (HUD)
- Community Services Block Grants (HHS)



# CONCLUSION

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